

1 Department of Natural Resources

2

3 Adopted Permanent Rules Relating to the Leasing of State Lands
4 for Metallic Minerals

5

6 Rules as Adopted

7 LEASES FOR METALLIC MINERALS,

8 EXCEPT IRON ORES AND TACONITE ORES

9 6125.0100 PURPOSE.

10 The purpose of parts 6125.0100 to 6125.0700 is to promote
11 and regulate exploration for, mining, and removing ores that are
12 primarily valuable for their metallic minerals content, and the
13 rules hereunder shall be construed to carry out that purpose.

14 6125.0400 LEASES.

15 The commissioner, with the approval of the state executive
16 council, may issue leases to explore for, mine, and remove
17 metallic minerals on lands where an interest in the minerals is
18 owned by the state, including trust fund lands, land forfeited
19 for nonpayment of taxes and held in trust by the state, lands
20 where severed mineral interests have forfeited under Minnesota
21 Statutes, section 93.55, lands where severed mineral interests
22 have been otherwise acquired, lands where severed mineral
23 interests may be leased by the commissioner under Minnesota
24 Statutes, section 93.55, subdivisions 1a and 3, the beds of
25 public waters, and lands otherwise acquired that have been
26 designated by the commissioner as mining units. Each lease
27 shall cover one mining unit. No lease shall be issued for a
28 term longer than 50 years.

29 6125.0410 QUALIFICATION TO HOLD LEASE AND AUTHORIZATION TO
30 CONDUCT GEOLOGICAL DATA GATHERING ACTIVITIES.

31 The right to apply for, acquire, and hold a lease to
32 prospect for, mine, and remove metallic minerals owned by the
33 state, and the right to apply for and to hold an authorization
34 to conduct geological data gathering activities, are subject to

1 items A and B.

2 A. The applicant is qualified to do business in
3 Minnesota as shown by:

4 (1) if a corporation organized under the laws of
5 Minnesota, a certificate of incorporation from the secretary of
6 state's office;

7 (2) if a corporation organized under the laws of
8 any state other than Minnesota or another country, a certificate
9 of authority to transact business in Minnesota from the
10 secretary of state's office;

11 (3) if a limited partnership, a certificate of
12 limited partnership from the secretary of state's office;

13 (4) if an individual, proof of United States
14 citizenship and of legal age; or

15 (5) if a general partnership or other business
16 entity, evidence that the general partners or individuals
17 controlling the business entity meet the requirements in this
18 part.

19 B. The applicant is qualified to conduct exploratory
20 borings in Minnesota by fulfilling the requirements of Minnesota
21 Statutes, section 103I.601, subdivision 3.

22 The commissioner may request additional evidence that the
23 applicant is technically and financially capable of performing
24 under the terms of a state minerals lease or an authorization to
25 conduct geological data gathering activities and that the
26 applicant has shown the capability to comply with environmental
27 laws and permits. Such evidence may include but is not limited
28 to a corporate report, an audited financial statement, resumes
29 of corporate officers, and evidence of past compliance with
30 environmental laws and permits in this or other states or in
31 other countries. If such evidence is requested, the applicant
32 must submit the evidence within 45 days of receipt of the
33 request.

34 6125.0420 NOTICES OF PUBLIC LEASE SALES, NEGOTIATED LEASES, AND
35 PREFERENCE RIGHTS LEASES.

1 The commissioner shall maintain a list of all persons who
2 have registered with the department for the purpose of receiving
3 notices of public lease sales, the filing of applications for
4 negotiated leases, and notices of intent to offer lands
5 available through preference rights leasing. The department may
6 inquire as to whether those persons on the list wish to maintain
7 their names on the list and may remove names for which there is
8 a negative reply or no reply within 60 days.

9 When the commissioner publishes a notice under part
10 6125.0500, subpart 1, or 6125.0610, subpart 2, or receives an
11 application under part 6125.0600, a copy of the notice or
12 application shall be sent to all persons registered with the
13 department to receive the notices.

14 6125.0500 PUBLIC SALE OF LEASES.

15 Subpart 1. Time, place, and notice. Except as otherwise
16 expressly provided by law, or as otherwise provided in parts
17 6125.0600 and 6125.0610, leases to explore for, mine, and remove
18 metallic minerals owned by the state shall be issued only upon
19 public sale authorized by the commissioner.

20 The public sale of leases shall be held at such times and
21 places as may be designated by the commissioner. The
22 commissioner shall give public notice of intent to hold a public
23 sale by publication in the State Register and the EQB Monitor
24 and such other publications as the commissioner may direct at
25 least 90 days prior to the proposed date of sale. The
26 commissioner shall give public notice of each sale by
27 publication for three successive weeks in a qualified newspaper
28 that has its known office of issue in the county seat of the
29 county in which the mining units to be leased are located. If
30 no qualified newspaper has its known office of issue in the
31 county seat of a particular county, then notice must be
32 published in the qualified newspaper designated as the publisher
33 of the official proceedings of the county board of that county.
34 The first publication shall be at least 30 days before the date
35 of sale. Like notice shall be published in the State Register

1 and the EQB Monitor and may be published in additional
2 newspapers and trade magazines as the commissioner may direct.

3 Each notice shall contain the following information:

- 4 A. time and place of holding the sale;
- 5 B. the place or places where the list of mining units
6 to be offered for sale will be available for purchase or
7 inspection, and where bid forms may be obtained; and
- 8 C. such other information as the commissioner may
9 direct.

10 Subp. 2. Mining unit books. Those interested in obtaining
11 a copy of the mining unit book may obtain one by submitting a
12 request to the commissioner. The request must be accompanied by
13 a check or money order, payable to the Department of Natural
14 Resources, in the amount specified by the commissioner, based on
15 copying and mailing costs, as a fee for a mining unit book.

16 Unit books will be available for inspection at the Hibbing and
17 Saint Paul offices of the Division of Minerals, Department of
18 Natural Resources.

19 Subp. 3. Bids. Bids shall be submitted on a form obtained
20 from the commissioner. The bid form must require identification
21 of which mining units, as designated in the mining unit book,
22 are being bid upon. The bid form will also require
23 identification of the additional bid royalty rate offered for
24 each mining unit being bid upon. Each bid form must be
25 accompanied by a certified check, cashier's check, or bank money
26 order, payable to the Department of Natural Resources, in the
27 sum of the following amounts:

28 A. an application fee of \$100 for each mining unit
29 being bid upon; and

30 B. rental for one full calendar year for each mining
31 unit being bid upon. For the purposes of the bid, the rental is
32 calculated at \$1.50 per acre times the gross acreage of the
33 lands offered for lease. The remaining rentals, due at the time
34 the lease is issued, shall be due upon the effective date of the
35 lease.

36 The bid form, together with the certified check, cashier's

1 check, or bank money order, shall be submitted in a sealed
2 envelope marked CONFIDENTIAL - BIDS FOR STATE MINERAL LEASES.
3 Each sealed bid envelope shall be delivered in person or by mail
4 to the commissioner at Saint Paul, Minnesota. Bids may be
5 submitted at any time before 4:30 p.m., Saint Paul, Minnesota
6 time, on the last business day before the day specified for the
7 opening of the bids, and no bids submitted after that time shall
8 be considered. Upon receipt, the commissioner shall endorse
9 upon each sealed bid envelope the exact time of presentation and
10 preserve the same, unopened in the commissioner's office.

11 At the time specified, the commissioner shall then publicly
12 open the bids and announce the amount of each bid separately.
13 The commissioner shall request each high bidder to provide
14 evidence the bidder is qualified to hold state mineral leases
15 pursuant to part 6125.0410. The evidence must be provided
16 within 45 days of the request from the commissioner or the bids
17 from that high bidder will be rejected.

18 Subp. 4. Issuance of leases. Leases shall be awarded by
19 the commissioner, with the approval of the state executive
20 council, to the highest bidder for the respective mining units,
21 but no bids shall be accepted that do not equal or exceed the
22 base royalty rates in part 6125.0700. The right is reserved to
23 the state, through the executive council, to reject any or all
24 bids. Tie bids will be resolved by the commissioner, with the
25 approval of the state executive council, by the random drawing
26 of the name of one tied bidder from a pool comprised of the
27 names of all the tied bidders. Upon the award of a lease, the
28 application fee submitted with the bid shall be deposited with
29 the state treasurer as a fee for the lease. All bids not
30 accepted shall become void, and the application fee and rental
31 payment accompanying the bids shall be returned to the
32 respective bidders; provided, however, the application fee and
33 rental payment accompanying a bid shall not be returned if the
34 bidder was the high bidder and subsequently withdrew the bid
35 prior to the awarding of a lease.

1 6125.0600 NEGOTIATED LEASES.

2 Subpart 1. Purpose and eligibility for negotiated leases.

3 When the commissioner finds that the best interests of the state
4 will be served and the circumstances in this subpart exist, the
5 commissioner, with the approval of the executive council, may
6 issue a lease to explore for, mine, and remove metallic minerals
7 through negotiations, to an applicant qualified under part
8 6125.0410.

9 A lease may be issued through negotiations under any of the
10 following circumstances:

11 A. the state's mineral ownership interest in the
12 lands to be leased is an undivided fractional interest and the
13 applicant holds under control a majority of the remaining
14 undivided fractional metallic mineral interests in the lands to
15 be leased;

16 B. the applicant holds a state metallic minerals
17 lease covering other lands within the same government section of
18 land;

19 C. the applicant holds, within one-half mile of the
20 requested lands to be leased, a state metallic minerals lease or
21 a private metallic minerals lease and no other party holds a
22 state metallic minerals lease covering land within the same
23 government section of land where the requested lands to be
24 leased are located; or

25 D. the lands to be leased contain an identified
26 mineral resource, and the applicant holds under its control the
27 majority of the same type of minerals in the remaining lands
28 containing the identified mineral resource.

29 Subp. 2. After acquired or later identified state mineral
30 ownership. The state may acquire additional mineral ownership
31 in a government section where its mineral interests are held
32 under a metallic minerals lease or there may be identification
33 of additional state mineral ownership not known at the time the
34 state mineral ownership in that government section of land was
35 leased. When an applicant applies for a negotiated lease under
36 these circumstances and the commissioner determines it is in the

1 best interests of the state to issue a negotiated lease to the
2 applicant, the royalty rate for the newly acquired or identified
3 lands shall be the same as that contained in the state mineral
4 lease held by the applicant if there has been no new drilling or
5 production since the state metallic minerals lease was issued
6 under parts 6125.0100 to 6125.0700.

7 Subp. 3. **Application for negotiated lease.** Applications
8 for a negotiated lease shall be submitted on a form obtained
9 from the commissioner and shall contain information as the
10 commissioner may prescribe. The applicant shall submit with the
11 application a certified check, cashier's check, or bank money
12 order, payable to the Department of Natural Resources in the sum
13 of \$100 as a fee for filing the application. The application
14 fee will not be refunded under any circumstances.

15 The right is reserved to the state to reject any or all
16 applications for negotiated leases.

17 Subp. 4. **Issuance of lease.** The leases so issued shall be
18 in the form set forth in part 6125.0700, with such additional
19 terms and conditions consistent with the lease as may be agreed
20 upon. The rental and royalty rates agreed upon shall be not
21 less than those prescribed in part 6125.0700.

22 No lease shall be issued under this part for the removal of
23 metallic minerals from any mining unit for which notice of
24 public sale has been published, until the public sale has been
25 held.

26 6125.0610 PREFERENCE RIGHTS LEASES.

27 Subpart 1. **Purpose.** When the commissioner determines the
28 best interests of the state will be served, the commissioner may
29 establish a list of mining units available for preference rights
30 leasing through application. Mining units may only be included
31 in the preference rights lease availability list if they do not
32 contain an identified mineral resource and the area is not being
33 explored by multiple parties.

34 Subp. 2. **Compilation of preference rights lease**
35 **availability list.** Mining units may be included in a preference

1 rights lease availability list only if they meet all of the
2 following criteria:

3 A. the mining unit has been offered at a public
4 metallic minerals lease sale held under parts 6125.0100 to
5 6125.0700 after December 31, 1994;

6 B. the mining unit has been offered at a public
7 metallic minerals lease sale held under parts 6125.0100 to
8 6125.0700 within the last four years;

9 C. the mining unit does not contain an identified
10 mineral resource;

11 D. state metallic minerals leases are not in effect
12 within three miles of the mining unit, unless the state metallic
13 minerals leases are held by only one party;

14 E. a state metallic minerals lease is not in effect
15 for other lands in the same government section of lands as
16 covered by the mining unit under consideration; and

17 F. the mining unit is not within an area being
18 offered at a public metallic minerals lease sale, as identified
19 through a published notice of intent to hold a public metallic
20 minerals lease sale.

21 Parties may submit to the commissioner suggestions of
22 mining units to be considered for inclusion on the preference
23 rights lease availability list.

24 Prior to including selected mining units on the preference
25 rights lease availability list, the commissioner shall give
26 public notice of intent to offer mining units available through
27 preference rights leasing. The public notice shall be published
28 in the State Register, the EQB Monitor, and a qualified
29 newspaper that has its known office of issue in the county seat
30 of the county in which the mining units to be included on the
31 preference rights lease availability list are located. If no
32 qualified newspaper has its known office of issue in the county
33 seat of a particular county, then notice must be published in
34 the qualified newspaper designated as the publisher of the
35 official proceedings of the county board of that county. Like
36 notice may be published in other publications as the

1 commissioner may direct. The notice shall be published at least
2 30 days prior to including the selected mining units on the
3 preference rights lease availability list.

4 The commissioner may add mining units to the preference
5 rights lease availability list only on the first business day of
6 each month. The commissioner may withdraw mining units from the
7 preference rights lease availability list at any time. Mining
8 units shall be deemed withdrawn from the preference rights lease
9 availability list without any further action by the commissioner
10 as soon as the mining units no longer meet the criteria to be
11 included on the list.

12 A written record must be maintained of the date and time of
13 all additions and withdrawals from the preference rights lease
14 availability list.

15 Subp. 3. Preference rights lease availability list. The
16 preference rights lease availability list must be maintained and
17 available for inspection in the office of the Division of
18 Minerals, Department of Natural Resources, 500 Lafayette Road,
19 Saint Paul, Minnesota 55155-4045.

20 Those interested in obtaining a copy of the preference
21 rights lease availability list may obtain one by submitting a
22 request to the commissioner. The commissioner shall charge a
23 fee for each copy of the list based on copying and mailing costs.

24 Subp. 4. Application for preference rights lease.
25 Application for a preference rights lease shall be submitted on
26 a form obtained from the commissioner and shall contain
27 information the commissioner may prescribe. The applicant shall
28 submit with the application evidence that the applicant is
29 qualified to hold a mineral lease as specified in part
30 6125.0410. The applicant shall submit with the application a
31 certified check, cashier's check, or bank money order, payable
32 to the Department of Natural Resources, in the sum of the
33 following amounts:

34 A. an application fee of \$100 for each mining unit
35 for which a preference rights lease is requested; and

36 B. rental for one full calendar year for each mining

1 unit for which a preference rights lease is requested. For the
2 purposes of this payment, rental is calculated at \$1.50 per acre
3 times the gross acreage of the lands for which a preference
4 rights lease is requested. The remaining rentals, due at the
5 time the lease is issued, shall be due upon the effective date
6 of the lease.

7 If the application for a preference rights lease is
8 rejected, the rental payment accompanying the application shall
9 be returned to the applicant. The application fee will not be
10 refunded under any circumstances.

11 Applications may be submitted in person or by mail to the
12 office of the Division of Minerals, Department of Natural
13 Resources, 500 Lafayette Road, Saint Paul, Minnesota 55155-4045.
14 Applications will only be accepted during the hours of 8:30 a.m.
15 to 4:00 p.m. on regularly scheduled business days. Applications
16 received at any other time will not be officially accepted until
17 the next regularly scheduled business day, and the commissioner
18 assumes no responsibility for applications submitted in person
19 at any time other than the time specified in this subpart.
20 Applications will not be accepted by facsimile transmission.

21 Subp. 5. Commissioner's review of application. Within ten
22 days after receipt of an application, the commissioner will send
23 written acknowledgment that the application was received. The
24 commissioner must review the application to determine if:

- 25 A. the application was completed and signed;
- 26 B. the application fee was submitted; and
- 27 C. evidence of qualification to hold a state lease,
28 as specified in part 6125.0410, was submitted.

29 The applicant must also be advised if additional evidence
30 is required by the commissioner to determine if the applicant is
31 qualified to hold a state lease as specified in part 6125.0410.

32 Subp. 6. Rejection of application. Applications for
33 preference rights leases will be rejected by the commissioner
34 under the following circumstances:

- 35 A. the application was not completed or signed;
- 36 B. the application fee was not submitted;

1 C. the applicant failed to submit evidence of
2 qualification to hold a state lease as specified in part
3 6125.0410, or the applicant failed to submit additional
4 evidence, within 45 days of receipt of the commissioner's
5 request, as to qualification to hold a state lease as specified
6 in part 6125.0410;

7 D. there was a simultaneous filing of applications
8 for a preference rights lease on the same mining unit and more
9 than one of the applicants meets the requirements of part
10 6125.0410. For the purpose of parts 6125.0100 to 6125.0700,
11 "simultaneous filings" means filings that arrive in the mail or
12 in person on the same day;

13 E. an application for a preference rights lease was
14 filed on a prior day for the same mining unit and the
15 commissioner has determined that the prior applicant meets the
16 requirements of part 6125.0410, and the prior application is not
17 rejected pursuant to this part;

18 F. the mining unit was not on the preference rights
19 lease availability list at the time of the application; or

20 G. the mining unit had been deemed withdrawn from the
21 preference rights lease availability list prior to the time of
22 application because the mining unit no longer met the criteria
23 to be included on the preference rights lease availability list.

24 Prior to filing an application for a preference rights
25 lease, any party may contact the commissioner for information as
26 to whether the circumstances described in this part exist as to
27 the mining units the party is interested in for a lease. Prior
28 to filing an application for a preference rights lease, any
29 party may contact the commissioner for a review of the party's
30 qualification to hold a mineral lease as specified in part
31 6125.0410.

32 The right is reserved to the state to reject any or all
33 applications for preference rights leases. However, if the
34 commissioner rejects the application based on item D, then no
35 preference rights lease may be issued for the mining unit until
36 after it has first been offered at public lease sale.

1 Subp. 7. Issuance of leases. A lease shall be awarded by
2 the commissioner, with the approval of the state executive
3 council, to the first qualified applicant who files an
4 application that is not rejected pursuant to subpart 6. The
5 preference rights leases so issued shall be in the form set
6 forth in part 6125.0700. The rental and royalty rates shall not
7 be less than those prescribed in part 6125.0700.

8 Subp. 8. Report to state executive council. The
9 commissioner must provide annual reports to the state executive
10 council on the use and results of the preference rights leasing
11 system.

12 6125.0620 AUTHORIZATION TO CONDUCT GEOLOGICAL DATA GATHERING
13 ACTIVITIES.

14 As an alternative to applying for a state mineral lease,
15 any party may apply to the commissioner for authorization to
16 conduct geological data gathering activities on state-owned
17 land. The applicant must meet the qualifications to hold an
18 authorization to conduct geological data gathering activities as
19 specified in part 6125.0410.

20 For the purposes of this authorization, geological data
21 gathering activities include geophysical and geochemical
22 activities, sampling of glacial overburden, and the sampling and
23 drilling of bedrock, provided that any drilling and sampling of
24 bedrock is limited to a maximum penetration of 20 feet into
25 bedrock. Each authorization granted by the commissioner is
26 limited to the size of one township, or portion of the
27 township. The fee for each authorization is \$100. The
28 authorization does not grant any rights to a mineral lease and
29 is nonexclusive.

30 6125.0700 FORM OF LEASE.

31 The form of lease for exploration for, mining, and removing
32 metallic minerals belonging to the state shall consist of the
33 following provisions, with insertions, changes, or additions as
34 may be necessary to incorporate the royalty rates and other
35 particulars applicable to each lease as may be authorized under

1 parts 6125.0100 to 6125.0700:

2 This lease agreement is entered into on the _____ day of
3 _____, 19___. The parties to this lease are the State of
4 Minnesota, called the state, and _____,
5 called the lessee.

6 1. Term; description of mining unit. The state, in
7 consideration of the sum of _____ Dollars, paid by the lessee,
8 being the rental provided in this lease for the unexpired
9 portion of the current calendar year and for the next succeeding
10 two (2) calendar years, the receipt whereof is hereby
11 acknowledged, and in further consideration of the covenants and
12 conditions of this lease to be performed by the lessee, agrees
13 to lease to the lessee for a term of _____ (__)
14 years beginning the _____ day of _____, 19__, the
15 following-described mining unit, situated in the county of
16 _____, in the State of Minnesota:

17 2. Definitions. For the purposes of this lease, the
18 following words have the meanings given them:

19 a. "Associated mineral products" means those intermingled
20 or associated materials and substances recovered from each ton
21 of crude ore mined from the mining unit that are excluded from
22 the definition of metallic minerals.

23 b. "Commissioner" means the commissioner of natural
24 resources of the state of Minnesota, or the commissioner's
25 designated representative.

26 c. "Metallic minerals," whether singular or plural, means
27 any mineral substances of a metalliferous nature, except iron
28 ores and taconite ores.

29 d. "Ton" means 2,000 pounds avoirdupois after removal of
30 all free moisture from the material weighed, by drying at 212
31 degrees Fahrenheit.

32 e. "Troy ounce" means a unit of mass equal to 480 grains
33 or 31.1035 grams or 1.0971 avoirdupois ounces.

34 3. Use of surface of lands. The mining unit is leased to
35 the lessee for the purpose of exploration for, mining, and
36 removing ores primarily valuable for metallic minerals content

1 that are found on or in the mining unit.

2 The lessee has the right to construct or make buildings,
3 excavations, openings, ditches, drains, railroads, roads, and
4 other improvements on the mining unit as necessary or suitable
5 for those purposes. All buildings and ditches must be
6 constructed according to applicable local ordinances. The
7 locations of railroads, roads, and other improvements are
8 subject to review by the commissioner. The lessee has the right
9 to mill and concentrate the ore so mined, either upon the mining
10 unit or elsewhere, but the right to mill and concentrate does
11 not include the right to reduce or smelt ore upon the mining
12 unit without an agreement between the lessee and the
13 commissioner, authorizing that use of the surface of the land
14 and providing for the necessary protection of life and
15 property. The lessee may contract with others for doing any
16 work authorized or required under this lease, or for the use of
17 the mining unit or any part of it for the purposes of the lease,
18 but no contract of this type relieves the lessee from any duty,
19 obligation, or liability under the lease. No such contract
20 providing for shipping, handling, or removal of ore bearing
21 material becomes effective for any purpose until three executed
22 duplicates of the contract have been filed with the commissioner.

23 4. State's right to lease iron ores, taconite ores, coal,
24 oil, gas, and other liquid or gaseous hydrocarbon substances.
25 The state reserves the right to lease or grant to other persons
26 or corporations the right to explore for, mine, remove, and
27 beneficiate iron ores, taconite ores, coal, oil, gas, and other
28 liquid or gaseous hydrocarbon substances, that are located in
29 the mining unit. The state agrees that any permit or lease
30 granted by it to any person or corporation to explore for,
31 develop, mine, or dispose of the iron ores, taconite ores, coal,
32 oil, gas, and other liquid or gaseous hydrocarbon substances
33 shall contain a provision that the permittee or lessee shall
34 exercise those rights so as not to cause any unnecessary or
35 unreasonable injury or hindrance to the operations of the lessee
36 of this lease in the exploration for, or the development,

1 mining, or removal of metallic minerals other than iron ores,
2 taconite ores, coal, oil, gas, and other liquid or gaseous
3 hydrocarbon substances covered by that permit or lease. The
4 lessee of this lease agrees that it will exercise the rights
5 granted to it by this lease in such manner as not to cause any
6 unnecessary or unreasonable injury or hindrance to the
7 operations of any permittee or lessee of the state in the
8 exploration for, or the development, mining, or removal of iron
9 ores, taconite ores, coal, oil, gas, and other liquid or gaseous
10 hydrocarbon substances.

11 Written notice shall be provided by the commissioner to the
12 lessee whenever the commissioner is planning to issue a mineral
13 lease according to the rights reserved under this paragraph.
14 The commissioner must meet with the lessee to obtain information
15 for terms and conditions under which multiple mineral
16 development could occur.

17 5. State's right to lease surface and sell timber. The
18 state reserves the right to sell and dispose of all the timber
19 upon the mining unit without hindrance from the lessee and
20 according to the law now or hereafter governing the sale of
21 timber on state lands, and reserves to the state and to the
22 purchaser of the timber, and the purchaser's agents, the right
23 at all times to enter the mining unit, and to cut and remove
24 timber from it according to the terms of the purchaser's permit
25 from the state. The timber purchaser shall not unduly interfere
26 with the exploration or mining operations. The state further
27 reserves the right to grant leases, permits, or licenses to any
28 portion of the surface of the mining unit to any person,
29 partnership, corporation, or other association under the
30 authority of Minnesota Statutes, section 92.50, or other
31 applicable laws, after consultation with lessee. The surface
32 leases, permits, or licenses shall not unduly interfere with the
33 exploration or mining operations conducted on the mining unit.

34 6. Annual rental. The lessee agrees to pay to the state
35 rental for the mining unit at the rate of \$1.50 per acre of land
36 and water area included in the mining unit, per calendar year,

1 payable in advance, for the unexpired portion of the current
2 calendar year from the effective date of this lease and for the
3 next succeeding two calendar years; and after that time at the
4 rate of \$5 per acre per calendar year, payable quarterly for the
5 three succeeding calendar years; and after that time at the rate
6 of \$15 per acre per calendar year, payable quarterly for the
7 five succeeding calendar years; and after that time at the rate
8 of \$30 per acre per calendar year, payable quarterly for the
9 remainder of the term of this lease.

10 The mining unit may include lands where an interest in the
11 minerals is owned by the state, including trust fund lands, land
12 forfeited for nonpayment of taxes and held in trust by the
13 state, lands where severed mineral interests have forfeited
14 under Minnesota Statutes, section 93.55, lands where severed
15 mineral interests have been otherwise acquired, lands where
16 severed mineral interests may be leased by the commissioner
17 under Minnesota Statutes, section 93.55, subdivisions 1a and 3,
18 the beds of public waters, and lands otherwise acquired. Any
19 amount paid for rental, at the time of payment, shall be
20 allocated to the proper fund as determined by the mineral
21 ownership.

22 Any amount paid and accrued for rental in excess of the
23 rate of \$5 per acre per year for any calendar year shall be
24 credited on any royalty that may become due for ore removed
25 under this lease during the same calendar year in which the
26 rental was due but no further, and only to the extent that the
27 rental was paid or deposited into the particular fund to which
28 the royalty for the ore is due. Any amount paid for royalty in
29 excess of rental at the rate of \$5 per acre per year for any
30 calendar year must be credited on rental, if any, subsequently
31 accruing for that same calendar year but no further, and only to
32 the extent that the royalty was paid or deposited into the
33 particular fund to which the rental is due.

34 Rental payments must be made on or before May 20, August
35 20, November 20, and February 20 for the previous calendar
36 quarters. The first calendar quarter is the first three

1 calendar months of the year, and so on. Any rental payments not
2 received by the date due are subject to interest at the rate of
3 six percent per year from the due date.

4 When the lessee exercises the right under paragraph 30 of
5 this lease to surrender any part or parts of the mining unit,
6 the annual rental payment may be discontinued as to those parts
7 for all subsequent calendar years; however, the rentals paid on
8 the parts surrendered must not be credited on any royalties due
9 for ore removed from that part of the mining unit which remains
10 under lease.

11 Where the state owns only a fractional undivided interest
12 in the minerals in any portion of the mining unit, only that
13 fractional part of the rentals and royalties established in this
14 lease shall be paid for that portion.

15 If at any time during the term of this lease it is
16 determined in a proper proceeding that the state does not own
17 the minerals in a part of the area included in the mining unit,
18 the commissioner shall delete from the description of the mining
19 unit the part not owned by the state, and only if that
20 determination is made prior to the fifth anniversary date of
21 this lease is the lessee entitled to a refund, or in the case of
22 tax forfeited minerals to receive credit on future payments due
23 the same fund, for payments made to the state on that part prior
24 to the determination. If the commissioner deems it necessary,
25 additional time to make the determination may be granted.

26 7. Tonnage for royalty purposes. Royalty must be computed
27 on the dry weight of the crude ore. The dry weight of the crude
28 ore shall be calculated from natural crude ore weights and
29 moisture percentages from samples taken at the time the crude
30 ore is weighed.

31 8. Royalty.

32 a. The royalty to be paid to the state by the lessee for
33 the metallic minerals and associated mineral products recovered
34 from each ton of ore mined from the mining unit is the sum of
35 the base rate described in this paragraph and an additional bid
36 rate of ___ percent multiplied by the net return value of the

1 metallic minerals and associated mineral products recovered from
2 each ton of dried crude ore.

3 b. The base rate must not be less than 3.95 percent nor
4 more than 20 percent and varies with the net return value of the
5 metallic minerals and associated mineral products recovered from
6 each ton of ore mined from the mining unit. The base rate must
7 be determined from the Base Royalty Rate Table which is found in
8 Exhibit A and which is made a part of this lease.

9 c. If in any month: (1) the net return value of the
10 metallic minerals and associated mineral products recovered from
11 each ton of dried crude ore mined from the mining unit exceeds
12 \$75; and (2) the unadjusted Producer Price Index for All
13 Commodities (1982 equals 100), as originally published
14 (unrevised) by the Bureau of Labor Statistics of the United
15 States Department of Labor, or any succeeding federal government
16 agency publishing the Index, in the monthly publication titled
17 Producer Price Indexes, for the first month in the calendar
18 quarter for which royalty payment is to be made, exceeds 121.5,
19 which was the originally published (unrevised) level of the
20 index for November 1994 (hereinafter called the "Base Index"),
21 then an adjustment to the base rate must be computed in the
22 manner hereinafter provided.

23 The adjustment to the base rate must be computed by
24 multiplying \$75 by a fraction, the denominator of which is the
25 Base Index and the numerator of which is equal to the amount by
26 which the Producer Price Index for All Commodities for the month
27 in question exceeds the Base Index. The resulting products must
28 be carried to four decimal places and then rounded to the
29 nearest one-hundredth of a dollar. The difference between this
30 rounded product and the net return value must then be
31 determined. The Royalty Base Rate Table must be referred to and
32 the difference resulting from this computation must be used
33 instead of the net return value to determine the base rate.

34 For example, the Base Index under this lease is 121.5 and
35 if the Producer Price Index for All Commodities for January 1996
36 was 132.7, the adjustment to the base rate would be computed as

1 The amount of royalties deferred for each calendar quarter
2 as provided above, plus interest at the rate of six percent per
3 year, becomes finally due and payable on the future date that is
4 determined by adding the total number of years of deferral
5 granted under this section to the date on which royalties would
6 have been due and payable had there been no deferral.

7 The commissioner in considering the lessee's application
8 for deferral of royalties may consider factors including, but
9 not limited to, the expected operational life of the mine
10 producing the royalties, the express purposes for which the
11 money deferred is proposed to be used by the lessee, the cash
12 flow analysis of the mine, the amount of either the capital
13 invested or to be invested, or both, by the lessee in
14 exploration and mining operations under this lease, and the
15 technical and financial capabilities of the lessee.

16 9. Net return value of metallic minerals and associated
17 mineral products.

18 a. If the final metal product is recovered in a smelter,
19 the net return value of metallic minerals and associated mineral
20 products recovered from each ton of dried crude ore must be
21 determined monthly as follows: Multiply the total pounds
22 respectively of each metal and associated mineral product
23 recovered during the month in the mill concentrate from the
24 mining unit, by the average market price per pound respectively
25 for that month of each fully refined metal and of each
26 associated mineral product. Subtract from that total, the
27 allowable charges, as later defined in this lease, to obtain the
28 net return value of each metallic mineral and each associated
29 mineral product. Add the net return values thus obtained for
30 each metallic mineral and each associated mineral product for
31 the month, and divide the sum by the total number of tons of
32 dried crude ore from the mining unit concentrated in the mill
33 during the month, to obtain the net return value of the metallic
34 minerals and associated mineral products recovered from each ton
35 of dried crude ore. The net return value must be carried to
36 four decimal places and rounded to the nearest one-hundredth of

1 a dollar.

2 The allowable charges in determining the net return value
3 of metallic minerals and associated mineral products recovered
4 in a smelter from each ton of dried crude ore are limited to the
5 following:

6 (1) the base smelter treatment and refinery charges
7 assessed by the smelter for treating each ton of the mill
8 concentrate; and

9 (2) the smelter losses, refinery losses, and penalties for
10 impurities that are deducted from the assay or market values to
11 arrive at the gross payment to the lessee for each of the
12 metallic minerals and associated mineral products paid for by
13 the smelter.

14 b. If the final metal product is recovered in a
15 hydrometallurgical process, or in a combination
16 hydrometallurgical and pyrometallurgical process, the net return
17 value of metallic minerals and associated mineral products
18 recovered from each ton of dried crude ore must be determined
19 monthly as follows: Multiply the total pounds respectively of
20 each metal and associated mineral product recovered from the
21 mining unit during the month in the final metal product from a
22 hydrometallurgical process or a combination hydrometallurgical
23 and pyrometallurgical process by the average market price per
24 pound respectively for that month of each fully refined metal
25 and of each associated mineral product. Subtract from that
26 total the allowable charges, as later defined in this lease, to
27 obtain the net return value of each metallic mineral and each
28 associated mineral product. Add the net return values thus
29 obtained for each metallic mineral and each associated mineral
30 product for the month, and divide the sum by the total number of
31 tons of dried crude ore from the mining unit processed by
32 hydrometallurgy or by a combination of hydrometallurgy and
33 pyrometallurgy during the month to obtain the net return value
34 of the metallic minerals and associated mineral products
35 recovered from each ton of dried crude ore. The net return
36 value must be carried to four decimal places and rounded to the

1 nearest one-hundredth of a dollar.

2 As used in this lease for the purpose of determining the
3 net return value of metallic minerals, "hydrometallurgy" means
4 that phase of metallurgy which involves the extraction and
5 recovery of metals using aqueous or organic solutions, and
6 "pyrometallurgy" means that phase of metallurgy which involves
7 the extraction and recovery of metals using heat. The unit
8 processes of hydrometallurgy include the leaching of ores or
9 concentrate for recovery of metals, the separation of the
10 leaching solution from the spent ore, and the recovery of the
11 dissolved metal from the leaching solution.

12 The allowable charges in determining the net return value
13 of metallic minerals and associated mineral products recovered
14 in a hydrometallurgical process or a combination
15 hydrometallurgical and pyrometallurgical process are limited to
16 the following: charges attributable to recovery of dissolved
17 metal from the leaching solution by chemical purification,
18 pressurization, roasting of concentrate, melting of concentrate,
19 filtration, absorption, solvent extraction, evaporation,
20 distillation, electrolysis, ion exchange, or precipitation. The
21 charges attributable to the direct leaching of ores for recovery
22 of metals, or to the separation of the leaching solution from
23 the spent ore, are nonallowable charges.

24 c. When metallic minerals and associated mineral products
25 recovered during the month are sold during the same month, only
26 those metallic minerals and associated mineral products
27 recovered that are actually paid for by the smelter, refiner, or
28 other purchaser must be included as part of the metallic
29 minerals and associated mineral products recovered during the
30 month. When metallic minerals and associated mineral products
31 recovered during the month are not sold during the same month,
32 the net return value of the metallic minerals and associated
33 mineral products recovered during the month must be adjusted, if
34 necessary, at the time they are sold to reflect the market price
35 at the time of sale, and to reflect any recovered metallic
36 minerals and associated mineral products that are not actually

1 paid for by a smelter, refiner, or other purchaser. Any prior
2 payment of royalty that becomes an overpayment of royalty as a
3 result of the adjustment of net return value under this
4 paragraph is a credit against future royalty payments due under
5 this lease.

6 d. Metallic minerals and associated mineral products sold
7 by the lessee to a nonaffiliate shall be deemed sold at the time
8 the metallic minerals and associated mineral products are
9 delivered to the nonaffiliate. Metallic minerals and associated
10 mineral products sold or transferred by lessee to an affiliate
11 shall be deemed sold by lessee at the time of delivery to the
12 affiliate and net return value must be calculated on the basis
13 of the market prices at the time of the deemed sale of the
14 metallic minerals and of the associated mineral products sold or
15 transferred to the affiliate. Metallic minerals and associated
16 mineral products retained by the lessee for its own internal use
17 and consumption shall be deemed sold when they are removed from
18 the mining unit and net return value must be calculated on the
19 basis of the market prices at the time of the removal of the
20 metallic minerals and of the associated mineral products
21 retained for internal use and consumption. For the purpose of
22 this lease "affiliate" means the lessee, or any business entity
23 that is effectively owned or controlled directly or indirectly
24 by the lessee or that directly or indirectly effectively owns or
25 controls the lessee, or any business entity operated by or that
26 operates the lessee.

27 e. If material is recovered and sold on a basis other than
28 for the purpose of recovering the fully refined metals and the
29 associated mineral products contained in the material, such as
30 the recovery and sale of titanium dioxide for paint pigment
31 uses, then the net return value of the material recovered and
32 sold, for royalty calculation purposes, is subject to agreement
33 between the commissioner and the lessee.

34 f. If the metallic minerals and associated mineral
35 products are treated at a smelter or hydrometallurgical
36 processing facility owned by, or directly or indirectly

1 effectively controlled by, the lessee or its affiliate, or that
2 the lessee or its affiliate operates or manages, then the
3 allowable charges are equal to the allowable charges that the
4 smelter or hydrometallurgical processing facility would assess
5 or charge an unaffiliated third party desiring to have
6 substantially similar metallic minerals and associated mineral
7 products treated at the smelter or hydrometallurgical processing
8 facility. If the smelter or hydrometallurgical processing
9 facility owned by, operated by, or effectively controlled by the
10 lessee or its affiliate does not provide treatment services to
11 unaffiliated third parties, then the allowable charges are equal
12 to the mean of the allowable charges assessed and charged for
13 substantially similar metallic minerals and associated mineral
14 products in contracts between unaffiliated parties. The lessee
15 shall provide to the state certified copies of all smelter
16 contracts, settlement sheets, and other agreements, to which the
17 lessee is a party, which detail and describe the allowable
18 charges under this lease to arrive at the net return value as
19 defined in this lease. For purposes of such net return value
20 determination, the state may disapprove and reject, in whole or
21 in part, the lessee's smelter contracts, settlement sheets, and
22 other agreements. Should the state reject the agreements or
23 otherwise disagree with the allowable charges, the lessee has
24 the burden of proof of substantiating the allowable charges.

25 g. The average market price of copper per pound for each
26 month is that quoted for U.S. producers, cathode, as reported in
27 Metals Week. The average market price of nickel per pound for
28 each month is that quoted for N.Y. merchant, spot, as reported
29 in Metals Week. The average market price of gold per troy ounce
30 for each month is that quoted for London, 3:00 p.m., as reported
31 in Metals Week. The average market price of silver per troy
32 ounce for each month is that quoted for Handy & Harman, N.Y., as
33 reported in Metals Week. The average market price of zinc per
34 pound for each month is that quoted for U.S. special High Grade,
35 as reported in Metals Week. The average market price of lead
36 per pound for each month is that quoted for U.S. and Canadian

1 producers, as reported in Metals Week. The average market price
2 of palladium per troy ounce for each month is that quoted for
3 London p.m. fix, as reported in Metals Week. The average market
4 price of platinum per troy ounce for each month is that quoted
5 for London p.m. fix, as reported in Metals Week. The average
6 market price of other metallic minerals and of associated
7 mineral products per pound for each month shall be that quoted
8 for the usual and customary shipping quantities, f.o.b. the
9 usual and customary place of shipment, United States import duty
10 (if any) included, as reported in Metals Week. If Metals Week
11 does not or ceases to report an average monthly market price for
12 any metallic mineral or associated mineral product, then the
13 average monthly market price of that metallic mineral or
14 associated mineral product is the arithmetic average of the
15 daily market prices for the metallic mineral or associated
16 mineral product for that month as reported in Metals Week. If
17 Metals Week or its successors cease to furnish such quotations,
18 or its quotations cease to be recognized in the trade, or a
19 particular metallic mineral or associated mineral product is not
20 listed, then the quotations of such other source as the parties
21 may agree upon shall govern.

22 10. Commingled ores. The lessee has the right to
23 commingle ore from the mining unit with other ore, either in the
24 mine, in stockpile, in the mill, or in the smelter, but the ores
25 must be kept entirely separate and distinct until their
26 quantities and metal and mineral contents have been separately
27 measured and determined. Ratios of concentration, percent mill
28 recoveries, and any other factors necessary for determining the
29 beneficiating amenability of the commingled ores, the allocation
30 of values and the royalties, must be separately measured and
31 determined by methods approved by the commissioner and shall be
32 reported on a monthly basis. "Ratio of concentration" means the
33 dry weight of the crude ore divided by the dry weight of the
34 concentrate derived from the crude ore. "Percent mill recovery"
35 means the dry weight of the metal in the concentrate divided by
36 the dry weight of the metal in the crude ore, expressed as a

1 percent.

2 11. Quarterly payment on ore removed. The lessee agrees
3 to pay to the state, on or before May 20, August 20, November
4 20, and February 20 in each year during the period this lease
5 continues in force, royalty at the rates specified in paragraph
6 8 for all of the ore removed from the mining unit during the
7 previous calendar quarter. The lessee also agrees to pay to the
8 state on or before May 20 of each year all royalty due and
9 payable as a result of the adjustment to value of the metallic
10 minerals and associated mineral products sold during the
11 previous calendar year as provided for in paragraph 9b.

12 The lessee is liable for payment of royalty when due on all
13 ore removed from the mining unit for concentration elsewhere or
14 for any other purpose, from the actual time of removal; and if
15 the royalty due on the ore is not determined and accounted for
16 as provided by the next royalty payment date, the commissioner
17 may determine the royalty by any method as the commissioner
18 deems appropriate and consistent with the royalty rates set
19 forth in this lease. Any amount paid for royalty must be
20 allocated to the proper fund as determined by the mineral
21 ownership. Any royalty payments not received by the date due
22 are subject to interest at the rate of six percent per year from
23 the due date.

24 12. Lessee to transmit statement of ore removed and
25 royalty due. The lessee shall transmit to the commissioner with
26 each royalty payment an exact and truthful statement of the
27 tonnage and royalty value of the ore mined and removed from the
28 mining unit during each of the three months for which the
29 payment is made, and the amount of royalty due on the ore,
30 separated as to the various state fund ownerships. The lessee
31 shall provide for all the operations required for these
32 determinations except as otherwise specified.

33 13. Weighing. The methods of obtaining the weights used
34 to determine tonnage for the calculation of royalty, or to
35 determine other weights required by the state, are subject to
36 the approval of the commissioner.

1 14. Sampling. Samples for royalty purposes must be taken
2 of the ores and their products at places and intervals subject
3 to the approval of the commissioner. A portion of each sample
4 or composite sample must be delivered to the commissioner
5 unless, by mutual agreement, it has been decided that certain of
6 such portions are not needed by the state. Except as otherwise
7 permitted by the commissioner, all ore mined from this mining
8 unit must be sampled and its weight determined before being
9 commingled with any other ores.

10 Each royalty sample must be analyzed at the expense of the
11 lessee by competent chemists or assayers approved in writing by
12 the commissioner. The elements in the royalty sample for which
13 analytical determinations will be made are subject to agreement
14 between the commissioner and the lessee.

15 15. Monthly reports. Except as otherwise permitted by the
16 commissioner, the lessee shall transmit within 20 days after the
17 end of each calendar month, statements for that calendar month
18 in the form the commissioner may require, covering the tonnages
19 and analyses of the following: all material mined from the
20 mining unit, all material milled from the mining unit, all
21 material stockpiled from the mining unit, all concentrates
22 produced from the mining unit, all material mined from any
23 source and commingled with material from the mining unit, all
24 commingled material concentrated, all commingled material
25 stockpiled, all commingled concentrates produced during that
26 calendar month, and such other information as may reasonably be
27 required by the commissioner for the purpose of verifying the
28 amount of royalty due.

29 The weight of ore as set forth in the monthly statements
30 shall prima facie be binding as between the parties, but the
31 state has the right to sample the ore, check the analyses, and
32 inspect, review and test the correctness of the methods, books,
33 records and accounts of the lessee in sampling, analyzing,
34 recording, and reporting the weights, and to inspect, review,
35 and test the correctness of the weights and scales and other
36 equipment used in measuring the amount of ore, it being

1 understood that any errors in these reports, when ascertained,
2 shall be corrected.

3 16. Additional monthly and annual reports to be furnished
4 by lessee; exploration; mine samples required. Except as
5 otherwise permitted by the commissioner, in addition to other
6 reports or statements required in this lease, the lessee shall
7 furnish the following:

8 a. Copies of all exploration data, including, but not
9 limited to, all logs and drill hole records; all maps and
10 coordinates showing drill holes, geophysical grids, geochemical
11 and geologic sampling, trenching, and survey data; all mineral
12 analyses and assays; all chemical and analytical data and
13 information; all laboratory test data; all geophysical,
14 geochemical, and geologic records; all results of mine and
15 metallurgical testings; and all periodic mine maps, analyses
16 maps, cross-sections, and development plans. All material
17 required under this subparagraph must be available to the
18 commissioner, or the commissioner's representative, at all
19 reasonable times. Copies must be submitted annually to the
20 commissioner when the data is in the form customarily prepared
21 for permanent record of the operations on the mining unit.
22 Material available to and furnished to the commissioner under
23 this subparagraph and subparagraph b. shall be considered
24 confidential during the life of this lease or any extension of
25 it.

26 b. At least a quarter portion of all exploration samples,
27 and when requested by the commissioner in writing, a quarter
28 portion of mine or mill samples. In the event that the lessee
29 requires certain exploration samples in their entirety, the
30 commissioner or the commissioner's representative may waive the
31 requirement for a quarter portion of such exploration samples,
32 provided that the lessee grants the state an opportunity to
33 examine and classify such samples before they are crushed or
34 processed.

35 c. A monthly report showing the estimated weights and
36 analyses of all materials stockpiled, including lean ore, waste

1 and tailings, and divided as to property of origin and
2 deposition.

3 d. Certified copies of smelter statements, schedules,
4 agreements, and settlement sheets or receipts from sales
5 involving materials produced from this mining unit showing the
6 product sold and factors relevant to the calculation of
7 royalties.

8 e. Not later than March 1 of each year during the term of
9 this lease, a summary statement of the tonnage of all ore mined
10 and all ore milled from the premises and all ore materials
11 placed in or removed from stockpile during the previous calendar
12 year, divided as to the property of origin and the disposition
13 of the ore materials and showing such analyses of them as the
14 commissioner may require.

15 17. How remittances and reports are to be transmitted.
16 All remittances by the lessee under this lease must be made
17 payable to the Department of Natural Resources. All such
18 remittances and all reports, notices and documents required
19 under this lease must be transmitted to the commissioner through
20 the director of the division of minerals at Saint Paul,
21 Minnesota.

22 18. State inspection; inspectors at plants and mines. The
23 commissioner may at all reasonable times enter the mining unit
24 and any other premises used or operated by the lessee in
25 connection with the operation of the mining unit, inspect the
26 operations conducted under this lease, and conduct such
27 engineering and sampling procedures and other investigations as
28 the commissioner may require, not unreasonably hindering or
29 interrupting the operations of the lessee.

30 The lessee shall provide, upon written request of the
31 commissioner, a suitable room in the dry or wash house or in
32 some other suitable place on the mining unit or elsewhere when
33 necessary, with water, light, and heat, all without cost to the
34 state, for the use of state inspectors. The room must be at
35 least equal in size and equipment to that customarily furnished
36 for the use of the mine engineer.

1 Whenever royalties or rentals due the state are required to
2 be distributed to more than one fund, or when ore from the
3 mining unit is commingled with other ore, or when ore from the
4 mining unit is concentrated at the same plant as other ore, the
5 commissioner may appoint special inspectors as the commissioner
6 considers necessary to insure proper accounting and protect the
7 interests of the state. The lessee shall reimburse the state
8 monthly for the cost of this inspection service upon
9 notification by the commissioner.

10 19. Removal of ore for experimental purposes.
11 Notwithstanding paragraph 11, upon written application of the
12 lessee, the commissioner may authorize the removal of ore from
13 the mining unit for experimental purposes without payment of
14 royalty; and it is further understood that the removal of
15 samples obtained by drilling, trenching, or testpitting, for the
16 purposes of exploration, is not subject to the payment of
17 royalty.

18 20. Stockpiled materials. All materials mined and not
19 shipped from the mining unit remains the property of the state
20 and shall be stockpiled only in such manner and on such sites as
21 may be authorized by the commissioner in writing. When,
22 however, the commissioner agrees that substantially all minerals
23 of value have been extracted from the mill tailings, the
24 material may be used for stope filling on the mining unit or
25 elsewhere, and the tailings material used shall be considered
26 abandoned, and title to the material shall revert to the mineral
27 owners of the property in which it is deposited.

28 21. Reversion of title on land conveyed to the state for
29 stockpiling purposes. When the commissioner determines that it
30 is necessary and that the interests of the state will be fully
31 protected, the lessee may convey land to the state upon the
32 condition that it be used for the storage of ore or other
33 materials having present or potential value belonging to the
34 state. The commissioner may accept a conveyance that provides
35 for the state's interest in the land to terminate and title to
36 revert to the lessee when the land is no longer needed or used

1 for storage of ore or other materials. No consideration shall
2 be paid for the conveyance unless authorized by law.

3 22. Cross mining rights. The lessee is hereby granted the
4 right to mine and remove any ores from the mining unit through
5 any shafts, openings, or pits that may be made upon adjoining
6 and nearby premises controlled by the lessee; and the lessee
7 may, if it so desires, use the mining unit and any shafts,
8 openings, or pits, made on it for the mining or removal of any
9 ores from adjoining or nearby premises, not, however, preventing
10 or interfering with the mining or removal of ore from said
11 mining unit. The ores taken from the mining unit must at all
12 times be kept entirely separate and distinct from any other ores
13 until measured and sampled as provided in this lease so that the
14 rights of the lessor are at all times preserved and protected.
15 The lessor recognizes the rights and liens of the owners of any
16 nearby or adjoining premises in any ores mined from them and
17 transported through the mining unit.

18 23. Lessee's obligations under state and federal laws and
19 regulations. The provisions of this lease are subject to all
20 applicable state and federal statutes, orders, rules and
21 regulations, and all operations under this lease shall be
22 conducted in conformity with them. All activities shall be
23 conducted in conformity with the applicable mine land
24 reclamation statutes and rules. No interference, diversion, use
25 or appropriation of any waters over which the commissioner or
26 any other state agency has jurisdiction, may be undertaken
27 unless authorized in writing by the commissioner or the state
28 agency.

29 24. Operations to be conducted in accordance with good
30 mining, metallurgical, and environmental engineering. The
31 lessee shall open, use, and work the mine or mines on the mining
32 unit and conduct metallurgical operations in such manner only as
33 is usual and customary in skillful and proper mining and milling
34 operations in accordance with the requirements, methods, and
35 practices of good mining, metallurgical, and environmental
36 engineering, and in such manner as not to cause any unnecessary

1 loss of minerals, or unusual permanent injury to the mining
2 unit. Surface lands owned by the state in the mining unit are
3 not to be cleared or used for construction or stockpiling
4 purposes until such use has been approved by the commissioner in
5 writing. The surface use of the mining unit must be conducted
6 in such manner as to prevent or reduce scarring and erosion of
7 the land and pollution of air and water.

8 25. Notice to owner of surface estate. When the leased
9 premises do not include the surface estate, the lessee shall
10 give notice, in writing, to the owner or administrator of the
11 surface estate at least 20 days in advance of any activities
12 which will require use of the surface estate on the leased
13 premises. The notice shall sufficiently describe the activities
14 to enable the owner or administrator of the surface estate to
15 evaluate the extent of the use of the surface estate.

16 26. Review of exploration; exploration site closure and
17 stabilization. "Exploration" means the act of searching for or
18 investigating a mineral deposit. Exploration includes
19 examination of an area to determine the quality and quantity of
20 minerals, including obtaining a bulk sample by drilling,
21 excavating, trenching, constructing shafts, ramps, tunnels,
22 pits, and producing refuse and other associated activities.
23 Exploration does not include activities intended, by themselves,
24 for commercial exploitation of the ore body.

25 a. The lessee shall advise the commissioner, in writing,
26 at least 20 days in advance of any exploration on the leased
27 premises. The lessee shall specify:

28 i. the location of proposed activities depicted on a
29 1:24,000 scale United States Geological Survey 7-1/2 minute
30 quadrangle map, or other map of the same scale;

31 ii. the exploration activities that will be performed,
32 including but not limited to the type of activity, method of
33 sampling, and types and sizes of vehicles and equipment that
34 will be used;

35 iii. the approximate beginning and ending dates of the
36 proposed activities;

1 iv. for exploration activities at sites with special
2 features or uses, methods of mitigation to be used in the
3 exploration to minimize to the extent practicable adverse
4 impacts on the special features or uses;

5 v. the location and method of access to the exploration
6 site, and if new roads or trails are to be constructed, the
7 location of the proposed roads or trails; and

8 vi. the proposed plan for site closure and stabilization,
9 if needed.

10 The commissioner will identify special features or uses
11 within the leased premises. Conditions identified as special
12 features or uses may include: wildlife management areas and
13 sites; peatland watershed areas of the peatland scientific and
14 natural areas; the Black Bay Management Area; natural heritage
15 sites and features; designated trout streams; state canoe and
16 boating routes; state trails; historic and archaeological sites;
17 rights-of-way; fire towers; campgrounds; public access sites;
18 state highway rest areas; and other existing easements, sites,
19 conditions, and encumbrances. The commissioner may require the
20 lessee to adjust exploration plans or plans for construction of
21 roads or trails due to special features or uses within the
22 leased premises or due to other natural resource management
23 concerns.

24 Unless notified to the contrary by the commissioner within
25 20 days after receipt of the exploration plans by the
26 commissioner, the lessee may proceed with exploration as
27 described in the submitted exploration plans.

28 b. Upon completion of the exploration, the lessee must
29 promptly remove all supplies and equipment and must restore the
30 leased premises and roads to a condition satisfactory to the
31 commissioner. The lessee must, when needed, implement and
32 complete closure and stabilization of the exploration site to
33 the satisfaction of the commissioner. The lessee shall be
34 relieved of obligations imposed by the plan for exploration site
35 closure and stabilization only when the lessee notifies the
36 commissioner in writing that site closure and stabilization has

1 been completed and release has been granted by the commissioner.

2 27. Lessee's obligation for damages. It is understood and
3 agreed that in case any interest in the land or minerals covered
4 by this lease is owned by anyone other than the state, this
5 lease shall not be construed as authorizing any invasion of or
6 trespass upon such other interest. The lessee hereby agrees and
7 is obligated to indemnify and hold the state harmless from all
8 damages or losses caused directly or indirectly by operations
9 under this lease, whether to land, timber, minerals, growing
10 crops, or buildings, or to any person or other property,
11 including damages suffered by that other owner of the surface or
12 mineral rights, and the state shall not be liable for them.

13 28. Lessee to pay all taxes. The lessee agrees to pay
14 when due all taxes, general and specific, personal and real that
15 may be assessed against the mining unit and the improvements
16 made on it, and the ore materials in it or mined from it, and
17 any personal property on the mining unit owned, used, or
18 controlled by the lessee. This covenant does not apply to taxes
19 assessed against any part of the mining unit as a result of any
20 other lease granted by the state to other parties. The
21 cancellation, termination, or expiration of this lease does not
22 relieve the lessee of the obligation to pay taxes assessed
23 during the continuance of the lease, even though such taxes may
24 be due or payable after the cancellation, termination, or
25 expiration date.

26 29. State lien for unpaid sums due. The state reserves
27 and shall at all times have a lien upon all ore mined from the
28 mining unit, all ore concentrated from it, smelter returns due
29 the lessee for the ore, and all improvements made under this
30 lease for any sums not paid when due.

31 30. Lessee's right to terminate lease. The lessee may at
32 any time deliver to the commissioner written notice of intention
33 to terminate this lease, and this lease shall terminate 60 days
34 after the delivery unless the notice is revoked by the lessee by
35 further written notice delivered to the commissioner before the
36 expiration of 60 days. On December 31 following the tenth

1 anniversary date of this lease, and on any succeeding December
2 31, the lessee may surrender its rights and privileges granted
3 in this lease on any part or parts of the mining unit, by giving
4 the lessor written notice of its intention so to do at least 60
5 days before the date of such surrender. For the purposes of
6 this paragraph, "part of the mining unit" means a quarter
7 section of a quarter section or a government lot as described by
8 the public land survey, or a bed of public waters. All sums due
9 to the state under this lease up to the effective date of
10 termination must be paid by the lessee. Any sums not received
11 within 20 days after the effective date of termination are
12 subject to interest at the rate of six percent per year from the
13 effective date of termination.

14 31. Lessor's right to cancel lease upon lessee's failure
15 to meet production requirements. The state may cancel this
16 lease as provided in paragraph 32 if the lessee has not met both
17 of the following conditions by the end of the 20th full calendar
18 year of this lease:

19 (a) The lessee must be actively engaged in mining ore under
20 this lease from:

21 i. the mining unit;

22 ii. a metallic mineral mine within the government township
23 in which the mining unit is located; or

24 iii. a metallic mineral mine within a government township
25 that has at least one point in common along its boundary line
26 with the government township in which the mining unit is located.

27 (b) The lessee must have paid to the state at least
28 \$100,000 in earned royalty under a metallic minerals lease.
29 This amount must be paid during a single calendar year.

30 The state may exercise its option to cancel the lease
31 during the 21st calendar year of the lease. If it does not do
32 so, and if the conditions have not been met by the end of the
33 35th full calendar year of this lease, it may exercise its
34 option to cancel during the 36th calendar year of the lease.
35 The commissioner shall take the lessee's financing needs and the
36 state's proportional ownership interest into consideration in

1 determining whether the requirements of this paragraph have been
2 met.

3 The lessee, at any time, may request a determination and
4 the commissioner, at any time in response to such a request, may
5 determine whether the state will exercise its option to cancel
6 the lease. If the state decides in response to such a request
7 not to exercise its option to cancel the lease, such a decision
8 may require the lessee to meet additional conditions and may
9 include the option to cancel at a time other than the times
10 specified in this paragraph.

11 32. Lessor's right to cancel lease upon default. This
12 lease is granted upon the express condition that, if any sum
13 owed under it by the lessee for rental, royalty, or otherwise
14 remains unpaid after the time when it became due, or if the
15 lessee or its agent or servant knowingly or willfully makes any
16 false statement in any report, account, or tabulation submitted
17 to the state or to the commissioner, or any of the
18 commissioner's agents pertaining to any matter under this lease,
19 or if the lessee fails to perform any of the conditions required
20 by this lease, the commissioner may cancel this lease by mailing
21 or delivering to the lessee 60 days' notice of the cancellation
22 in writing, specifying such nonpayment or other default as the
23 case may be. This lease shall terminate at the expiration of
24 the 60 days, and the lessee and all persons claiming under the
25 lessee shall be wholly excluded from the mining unit except as
26 hereinafter provided in paragraph 31. Termination does not
27 relieve the lessee from any liability for payment or other
28 liability incurred under this lease. If the default consists of
29 a nonperformance of an act required under this lease other than
30 payment of royalty or rental, the lessee may perform within the
31 period of 60 days and the lease continues in effect. If the
32 correction of any such default requires more time than 60 days
33 after the notice has been received by the lessee, the
34 commissioner, upon written request of the lessee and for good
35 cause shown, may, at the commissioner's discretion, grant an
36 extension of the period of 60 days. If the default consists of

1 a nonpayment of royalty or rental and the lessee performs within
2 15 days from the mailing or delivery of notice of cancellation,
3 the lease continues in effect; and if the lessee performs at any
4 time thereafter within the period of 60 days, the commissioner,
5 at the commissioner's discretion, may continue the lease in
6 effect.

7 33. Rights of lessor and lessee during 180 day period
8 following termination. Upon termination of this lease, whether
9 by expiration of its term or by act of either party, except as
10 necessary to comply with applicable mineland reclamation
11 statutes and rules, the lessee has 180 days after termination in
12 which to remove all equipment, materials, railroad tracks,
13 structures and other property placed or erected by the lessee
14 upon said mining unit. Property not removed within that time
15 shall, at the discretion of the commissioner, either be removed
16 by the state at the lessee's expense or become the property of
17 the state. The lessee shall not remove or impair any supports
18 placed in any mine or mines on the mining unit, or any timber or
19 framework necessary to the use or maintenance of shafts or other
20 approaches to such mine or mines or tramways within the mining
21 unit, all of which become the property of the state. During the
22 period of 180 days, the lessee shall, at its own expense,
23 properly and adequately fence all pits, and do all other work
24 which the commissioner deems necessary to leave the premises in
25 a safe and orderly condition to protect against injury or damage
26 to persons or property. Subject to the foregoing, upon the
27 termination of this lease, whether by expiration of the term
28 hereof or otherwise, the lessee shall quietly and peaceably
29 surrender possession of the mining unit to the state.

30 34. Recovery of expenses. If it is necessary for the
31 state to incur expenses by court action or otherwise for the
32 ejectment of the lessee, or removal from the leased premises of
33 the lessee's property, or recovery of rent or royalties, or for
34 any other remedy of the state under this lease, and the state
35 prevails in the court action or otherwise, then the lessee shall
36 pay to the state all expenses, including attorney's fees, thus

1 incurred by the state.

2 35. Mining of minerals other than metallic minerals. If
3 any ore found on or in the mining unit is primarily valuable for
4 other than its metallic minerals content, the terms and
5 conditions upon which the ore may be mined or products recovered
6 from it shall be as may be agreed upon by the lessee and the
7 commissioner and approved by the state executive council. This
8 provision does not apply to iron ores, taconite ores, coal, oil,
9 gas, and other liquid or gaseous hydrocarbon substances.

10 36. Agreements, assignments, or contracts. All
11 assignments, agreements, or contracts affecting this lease must
12 be made in writing and signed by all parties thereto, witnessed
13 by two witnesses, properly acknowledged and must contain the
14 post office addresses of all parties thereto, and when so
15 executed must be presented in triplicate to the commissioner for
16 record. No such instrument is valid until approved in writing
17 by the commissioner and approved as to form and execution by the
18 attorney general. No assignment or other agreement relieves the
19 lessee of any obligation or liability imposed by this lease, and
20 all assignees, sublessees, and subcontractors are also liable
21 for all obligations or liabilities imposed by this lease.

22 37. Lease binding on assignees and successors. The
23 covenants, terms, and conditions of this lease run with the land
24 and extend to and bind all assignees and other successors in
25 interest of the lessee.

26 38. Notices. For the purposes of this lease, the
27 addresses of the parties are as follows, unless changed by
28 written notice to all parties: For the state -- Commissioner of
29 Natural Resources, State of Minnesota, 500 Lafayette Road, Saint
30 Paul, Minnesota 55155-4037; for the lessee --

31

32

Exhibit A. Base Royalty Rate Table

33	Net	Base	Net	Base
34	return	royalty	return	royalty
35	value	rate (%)	value	rate (%)
36	per ton		per ton	
37				
38	\$ 0.01- 75	3.9500	\$ 75.01- 76	3.9574
39	\$ 76.01- 77	3.9650	\$ 77.01- 78	3.9728

1	\$ 78.01- 79	3.9808	\$ 79.01- 80	3.9890
2	\$ 80.01- 81	3.9974	\$ 81.01- 82	4.0060
3	\$ 82.01- 83	4.0147	\$ 83.01- 84	4.0237
4	\$ 84.01- 85	4.0329	\$ 85.01- 86	4.0422
5	\$ 86.01- 87	4.0518	\$ 87.01- 88	4.0615
6	\$ 88.01- 89	4.0715	\$ 89.01- 90	4.0816
7	\$ 90.01- 91	4.0919	\$ 91.01- 92	4.1025
8	\$ 92.01- 93	4.1132	\$ 93.01- 94	4.1241
9	\$ 94.01- 95	4.1352	\$ 95.01- 96	4.1465
10	\$ 96.01- 97	4.1580	\$ 97.01- 98	4.1697
11	\$ 98.01- 99	4.1816	\$ 99.01-100	4.1937
12	\$100.01-101	4.2060	\$101.01-102	4.2185
13	\$102.01-103	4.2311	\$103.01-104	4.2440
14	\$104.01-105	4.2571	\$105.01-106	4.2703
15	\$106.01-107	4.2838	\$107.01-108	4.2974
16	\$108.01-109	4.3113	\$109.01-110	4.3253
17	\$110.01-111	4.3395	\$111.01-112	4.3540
18	\$112.01-113	4.3686	\$113.01-114	4.3834
19	\$114.01-115	4.3984	\$115.01-116	4.4136
20	\$116.01-117	4.4290	\$117.01-118	4.4446
21	\$118.01-119	4.4604	\$119.01-120	4.4764
22	\$120.01-121	4.4926	\$121.01-122	4.5089
23	\$122.01-123	4.5255	\$123.01-124	4.5423
24	\$124.01-125	4.5592	\$125.01-126	4.5764
25	\$126.01-127	4.5938	\$127.01-128	4.6113
26	\$128.01-129	4.6290	\$129.01-130	4.6470
27	\$130.01-131	4.6651	\$131.01-132	4.6834
28	\$132.01-133	4.7020	\$133.01-134	4.7207
29	\$134.01-135	4.7396	\$135.01-136	4.7587
30	\$136.01-137	4.7780	\$137.01-138	4.7975
31	\$138.01-139	4.8172	\$139.01-140	4.8371
32	\$140.01-141	4.8571	\$141.01-142	4.8774
33	\$142.01-143	4.8979	\$143.01-144	4.9186
34	\$144.01-145	4.9394	\$145.01-146	4.9605
35	\$146.01-147	4.9817	\$147.01-148	5.0032
36	\$148.01-149	5.0248	\$149.01-150	5.0466
37	\$150.01-151	5.0687	\$151.01-152	5.0909
38	\$152.01-153	5.1133	\$153.01-154	5.1359
39	\$154.01-155	5.1587	\$155.01-156	5.1818
40	\$156.01-157	5.2050	\$157.01-158	5.2283
41	\$158.01-159	5.2519	\$159.01-160	5.2757
42	\$160.01-161	5.2997	\$161.01-162	5.3239
43	\$162.01-163	5.3482	\$163.01-164	5.3728
44	\$164.01-165	5.3976	\$165.01-166	5.4225
45	\$166.01-167	5.4477	\$167.01-168	5.4730
46	\$168.01-169	5.4986	\$169.01-170	5.5243
47	\$170.01-171	5.5502	\$171.01-172	5.5763
48	\$172.01-173	5.6027	\$173.01-174	5.6292
49	\$174.01-175	5.6559	\$175.01-176	5.6828
50	\$176.01-177	5.7099	\$177.01-178	5.7372
51	\$178.01-179	5.7647	\$179.01-180	5.7924
52	\$180.01-181	5.8202	\$181.01-182	5.8483
53	\$182.01-183	5.8766	\$183.01-184	5.9050
54	\$184.01-185	5.9337	\$185.01-186	5.9626
55	\$186.01-187	5.9916	\$187.01-188	6.0209
56	\$188.01-189	6.0503	\$189.01-190	6.0799
57	\$190.01-191	6.1098	\$191.01-192	6.1398
58	\$192.01-193	6.1700	\$193.01-194	6.2004
59	\$194.01-195	6.2310	\$195.01-196	6.2618
60	\$196.01-197	6.2928	\$197.01-198	6.3240
61	\$198.01-199	6.3554	\$199.01-200	6.3870
62	\$200.01-201	6.4188	\$201.01-202	6.4507
63	\$202.01-203	6.4829	\$203.01-204	6.5153
64	\$204.01-205	6.5478	\$205.01-206	6.5806
65	\$206.01-207	6.6135	\$207.01-208	6.6467
66	\$208.01-209	6.6800	\$209.01-210	6.7135
67	\$210.01-211	6.7473	\$211.01-212	6.7812
68	\$212.01-213	6.8153	\$213.01-214	6.8496
69	\$214.01-215	6.8841	\$215.01-216	6.9188
70	\$216.01-217	6.9537	\$217.01-218	6.9888
71	\$218.01-219	7.0241	\$219.01-220	7.0596

1	\$220.01-221	7.0953
2	\$222.01-223	7.1672
3	\$224.01-225	7.2399
4	\$226.01-227	7.3134
5	\$228.01-229	7.3877
6	\$230.01-231	7.4628
7	\$232.01-233	7.5386
8	\$234.01-235	7.6152
9	\$236.01-237	7.6926
10	\$238.01-239	7.7708
11	\$240.01-241	7.8498
12	\$242.01-243	7.9295
13	\$244.01-245	8.0100
14	\$246.01-247	8.0913
15	\$248.01-249	8.1734
16	\$250.01-251	8.2563
17	\$252.01-253	8.3399
18	\$254.01-255	8.4243
19	\$256.01-257	8.5095
20	\$258.01-259	8.5955
21	\$260.01-261	8.6822
22	\$262.01-263	8.7698
23	\$264.01-265	8.8581
24	\$266.01-267	8.9472
25	\$268.01-269	9.0371
26	\$270.01-271	9.1277
27	\$272.01-273	9.2192
28	\$274.01-275	9.3114
29	\$276.01-277	9.4044
30	\$278.01-279	9.4981
31	\$280.01-281	9.5927
32	\$282.01-283	9.6880
33	\$284.01-285	9.7841
34	\$286.01-287	9.8810
35	\$288.01-289	9.9787
36	\$290.01-291	10.0772
37	\$292.01-293	10.1764
38	\$294.01-295	10.2764
39	\$296.01-297	10.3772
40	\$298.01-299	10.4788
41	\$300.01-301	10.5811
42	\$302.01-303	10.6843
43	\$304.01-305	10.7882
44	\$306.01-307	10.8929
45	\$308.01-309	10.9984
46	\$310.01-311	11.1046
47	\$312.01-313	11.2116
48	\$314.01-315	11.3195
49	\$316.01-317	11.4280
50	\$318.01-319	11.5374
51	\$320.01-321	11.6476
52	\$322.01-323	11.7585
53	\$324.01-325	11.8702
54	\$326.01-327	11.9827
55	\$328.01-329	12.0960
56	\$330.01-331	12.2100
57	\$332.01-333	12.3249
58	\$334.01-335	12.4405
59	\$336.01-337	12.5569
60	\$338.01-339	12.6740
61	\$340.01-341	12.7920
62	\$342.01-343	12.9107
63	\$344.01-345	13.0302
64	\$346.01-347	13.1505
65	\$348.01-349	13.2716
66	\$350.01-351	13.3934
67	\$352.01-353	13.5161
68	\$354.01-355	13.6395
69	\$356.01-357	13.7637
70	\$358.01-359	13.8886
71	\$360.01-361	14.0144
1	\$221.01-222	7.1311
2	\$223.01-224	7.2035
3	\$225.01-226	7.2766
4	\$227.01-228	7.3505
5	\$229.01-230	7.4251
6	\$231.01-232	7.5006
7	\$233.01-234	7.5768
8	\$235.01-236	7.6538
9	\$237.01-238	7.7316
10	\$239.01-240	7.8102
11	\$241.01-242	7.8895
12	\$243.01-244	7.9697
13	\$245.01-246	8.0506
14	\$247.01-248	8.1323
15	\$249.01-250	8.2147
16	\$251.01-252	8.2980
17	\$253.01-254	8.3820
18	\$255.01-256	8.4668
19	\$257.01-258	8.5524
20	\$259.01-260	8.6388
21	\$261.01-262	8.7259
22	\$263.01-264	8.8138
23	\$265.01-266	8.9025
24	\$267.01-268	8.9920
25	\$269.01-270	9.0823
26	\$271.01-272	9.1733
27	\$273.01-274	9.2652
28	\$275.01-276	9.3578
29	\$277.01-278	9.4512
30	\$279.01-280	9.5453
31	\$281.01-282	9.6403
32	\$283.01-284	9.7360
33	\$285.01-286	9.8325
34	\$287.01-288	9.9298
35	\$289.01-290	10.0278
36	\$291.01-292	10.1267
37	\$293.01-294	10.2263
38	\$295.01-296	10.3267
39	\$297.01-298	10.4279
40	\$299.01-300	10.5299
41	\$301.01-302	10.6326
42	\$303.01-304	10.7361
43	\$305.01-306	10.8404
44	\$307.01-308	10.9455
45	\$309.01-310	11.0514
46	\$311.01-312	11.1580
47	\$313.01-314	11.2654
48	\$315.01-316	11.3736
49	\$317.01-318	11.4826
50	\$319.01-320	11.5924
51	\$321.01-322	11.7029
52	\$323.01-324	11.8143
53	\$325.01-326	11.9264
54	\$327.01-328	12.0392
55	\$329.01-330	12.1529
56	\$331.01-332	12.2673
57	\$333.01-334	12.3826
58	\$335.01-336	12.4986
59	\$337.01-338	12.6153
60	\$339.01-340	12.7329
61	\$341.01-342	12.8512
62	\$343.01-344	12.9704
63	\$345.01-346	13.0903
64	\$347.01-348	13.2109
65	\$349.01-350	13.3324
66	\$351.01-352	13.4546
67	\$353.01-354	13.5777
68	\$355.01-356	13.7015
69	\$357.01-358	13.8260
70	\$359.01-360	13.9514
71	\$361.01-362	14.0775

1	\$362.01-363	14.1409	\$363.01-364	14.2045
2	\$364.01-365	14.2682	\$365.01-366	14.3322
3	\$366.01-367	14.3963	\$367.01-368	14.4606
4	\$368.01-369	14.5252	\$369.01-370	14.5899
5	\$370.01-371	14.6548	\$371.01-372	14.7199
6	\$372.01-373	14.7852	\$373.01-374	14.8507
7	\$374.01-375	14.9164	\$375.01-376	14.9823
8	\$376.01-377	15.0484	\$377.01-378	15.1147
9	\$378.01-379	15.1812	\$379.01-380	15.2479
10	\$380.01-381	15.3147	\$381.01-382	15.3818
11	\$382.01-383	15.4491	\$383.01-384	15.5165
12	\$384.01-385	15.5842	\$385.01-386	15.6520
13	\$386.01-387	15.7201	\$387.01-388	15.7883
14	\$388.01-389	15.8567	\$389.01-390	15.9254
15	\$390.01-391	15.9924	\$391.01-392	16.0632
16	\$392.01-393	16.1324	\$393.01-394	16.2018
17	\$394.01-395	16.2714	\$395.01-396	16.3412
18	\$396.01-397	16.4112	\$397.01-398	16.4814
19	\$398.01-399	16.5518	\$399.01-400	16.6223
20	\$400.01-401	16.6931	\$401.01-402	16.7641
21	\$402.01-403	16.8352	\$403.01-404	16.9066
22	\$404.01-405	16.9781	\$405.01-406	17.0499
23	\$406.01-407	17.1218	\$407.01-408	17.1940
24	\$408.01-409	17.2663	\$409.01-410	17.3388
25	\$410.01-411	17.4115	\$411.01-412	17.4844
26	\$412.01-413	17.5576	\$413.01-414	17.6309
27	\$414.01-415	17.7044	\$415.01-416	17.7781
28	\$416.01-417	17.8519	\$417.01-418	17.9260
29	\$418.01-419	18.0003	\$419.01-420	18.0748
30	\$420.01-421	18.1494	\$421.01-422	18.2243
31	\$422.01-423	18.2994	\$423.01-424	18.3746
32	\$424.01-425	18.4501	\$425.01-426	18.5257
33	\$426.01-427	18.6016	\$427.01-428	18.6776
34	\$428.01-429	18.7538	\$429.01-430	18.8302
35	\$430.01-431	18.9069	\$431.01-432	18.9837
36	\$432.01-433	19.0607	\$433.01-434	19.1379
37	\$434.01-435	19.2153	\$435.01-436	19.2929
38	\$436.01-437	19.3707	\$437.01-438	19.4487
39	\$438.01-439	19.5268	\$439.01-440	19.6052
40	\$440.01-441	19.6838	\$441.01-442	19.7625
41	\$442.01-443	19.8415	\$443.01-444	19.9207
42	\$444.01 and			
43	above	20.0000		
44				

45 REPEALER. Minnesota Rules, parts 6125.0300, 6125.1000,
46 6125.1100, 6125.1200, 6125.1300, 6125.1400, 6125.1500,
47 6125.1600, 6125.1700, 6125.1800, 6125.1900, 6125.2000,
48 6125.2100, 6125.2200, 6125.2300, 6125.2400, 6125.2500,
49 6125.2600, 6125.2700, 6125.2800, 6125.2900, 6125.3000,
50 6125.3100, 6125.3200, 6125.3300, 6125.3400, 6125.3500,
51 6125.3600, 6125.3700, 6125.3800, 6125.3900, 6125.4000, and
52 6125.4100, are repealed.